

VZCZCXYZ0037  
PP RUEHWEB

DE RUEHPU #0972/01 1521516  
ZNY CCCCC ZZH  
P 011516Z JUN 06  
FM AMEMBASSY PORT AU PRINCE  
TO RUEHC/SECSTATE WASHDC PRIORITY 3160  
INFO RUEHZH/HAITI COLLECTIVE  
RUEAWJA/DEPT OF JUSTICE WASHDC  
RUEATRS/DEPT OF TREASURY WASHDC  
RUCPDOG/DEPT OF COMMERCE WASHDC

C O N F I D E N T I A L PORT AU PRINCE 000972

SIPDIS

SIPDIS

STATE FOR WHA/CAR WHA/EPSC EB/IFD  
INR IAA/MAC (BEN YEHUDA)  
STATE PASS TO AID FOR LAC/CAR  
TREASURY FOR LEVINE  
USDOC FOR 4322/ITA/MAN/WH/OLAC (SMITH, S.)

E.O. 12958: DECL: 05/31/2016  
TAGS: [KCRM](#) [EFIN](#) [PGOV](#) [HA](#)  
SUBJECT: NOEL RELEASED, TALKS ABOUT HIS ARREST

REF: PORT-AU-PRINCE 00950

Classified By: ADCM Paul Folmsbee. Reason 1.5 (d)

11. (C) SUMMARY: Emboffs met with UCREF head Jean-Yves Noel May 30, one day after his release from prison. According to Noel, he was arrested ostensibly for having his bodyguards detain a court bailiff, but in reality his arrest was masterminded by those whose bank accounts had been frozen by UCREF. Noel thought his arrest was for financial, not political, reasons. While in prison, Noel claims there were two attempts on his life. Whatever the truth behind Noel's arrest, post believes that the USG should continue its work with UCREF the institution, although not necessarily with Jean-Yves Noel, the individual. This incident illustrates, however, that fighting corruption in Haiti will be a long struggle. END SUMMARY.

12. (SBU) Econ Counselor accompanied by TDY Treasury investigators, visited UCREF head Jean-Yves Noel May 30, one day after his release from prison. UCREF (Unite Centrale de Recherche et enquete Fiscal) had been investigating funds stolen from the Haitian government during the Aristide administration. In a rambling, emotional and sometimes confusing account of events, Noel told the story of his arrest and incarceration. His account roughly follows press reporting, with a few exceptions.

#### What Actually Happened at the Bank

13. (SBU) According to Noel, in November 2005 he was called to BPH bank where a court bailiff had just arrived with an order from a judge to unfreeze a number of frozen bank accounts. Noel arrived with two bodyguards and went into an office to meet privately with a bank official. He instructed his bodyguards to keep an eye on the bailiff. After Noel left, bank officials told the bodyguards that the bank did not allow armed men in their waiting room and they would have to leave. The bodyguards took the bailiff with them and they waited outside in a car for 20-30 minutes before Noel returned. At that point the bailiff left.

#### The Frozen Funds

14. (SBU) According to Noel, the frozen accounts belonged to a variety of businesses that served as fronts for the Aristide Foundation. The total amount of frozen funds in all accounts was approximately USD 6 million. (NOTE: This conflicts with some press reports that it was one USD 6

million account owned by the Aristide foundation. END NOTE.)

Noel also reported that the bailiff was also instructed to close the accounts and pick up the checks to be distributed to the account holders. That did not happen and the money remains in the accounts today, still frozen.

#### The Arrest

-- -- -- -- --  
¶15. (SBU) Noel knew that he was being investigated for kidnapping charges related to the detention of the bailiff and was told to appear at a hearing on May 5. He was out of the country that day, on official business in the Dominican Republic. He says that despite the fact he had the Prime Minister's permission to be out of the country, had written to Judge Perez Paul informing him in advance of his trip, and had his attorneys appear personally to Judge Perez Paul to explain his absence, the judge decided to have him arrested for failure to appear.

#### Attempted Murder in Prison

-- -- -- -- --  
¶16. (SBU) While in prison May 22-29, Noel says there were two attempts to assassinate him. Both involved attempts to draw him out of his cell on false pretenses into a common area where another prisoner was to stab him to death with an ice pick (ice picks are still common in Haiti). On the first attempt, Noel fell for the ruse, but was safely escorted back to his cell by other prisoners who knew what was to happen. On the second attempt, Noel knew not to leave the cell. Noel said the person behind the first attempt was Woody Ethere, a convicted narcotics trafficker.

¶17. (U) Noel was released on Monday, May 29 after growing public pressure, including from a group of attorneys who met with the judge on the 29th.

#### Money the Reason for the Arrest

-- -- -- -- --  
¶18. (SBU) Econ Counselor asked Noel whom he thought was behind his arrest and what the motives were. Noel said that he thought that his arrest was done for financial, not political reasons. He thought that it was the people who controlled the frozen USD 6 million who ordered his arrest, via an intimidated or corrupt Judge Jean Perez Paul. Noel thought that his arrest was not retaliation or intimidation by Aristide supporters; it was strictly about the money. When queried, he said that some of these people are connected to President Preval, but others are not. In any case, he did not think that Preval had anything to do with his arrest. More likely it was a case of people taking advantage of a power vacuum between the election and Preval's assuming full control of the government.

¶19. (C) COMMENT: Noel's story should not necessarily be taken at face value. His cooperation with USG investigators, always spotty at best, deteriorated severely over the past 6 months for a variety of reasons that arouse our suspicions. Many claim that Noel is corrupt and his arrest was payback for past corruption. Others still believe that his arrest is pure political retaliation by Aristide supporters. There is one positive aspect to the arrest, however, and that is the outcry that it caused in the press, civil society and the public. It is clear that Haitians want anti-corruption efforts to continue.

¶10. (C) COMMENT CONTINUED: Despite this incident, Post believes that the USG should continue its work with UCREF. We need to be careful to separate Jean-Yves Noel, the individual, from the work of UCREF, the institution. Work with UCREF will be a long-term project, with setbacks along the way. Corruption is entrenched in Haitian society and political interference the norm. However, anti-corruption activities do have public support. And if we are ever going to make progress on investigations of past misdeeds and on preventing future ones, we need to continue to support the work of the fledgling anti-corruption office. END COMMENT.

SANDERSON